

FINANCE COMMITTEE OFFICERS' MEETING
17th April 2009, IHB

1. In accordance with Article 14 of the General Regulations, the six-monthly Finance Committee Officers' meeting was held on 17th April 2009 at the Bureau between the Directing Committee, the Chairman of the Finance Committee, Mr Claude COTTALORDA (Monaco), and the Vice-Chairman, Mr Richard LUIGI (France). The Auditor, Ms Pascale TARMAZZO, of Frank Morel Chartered Accountants was also present. The following topics were presented and discussed:

- .1 Progress with regard to the execution of the budget for 2009 was examined, based on the "Monthly Finance Reporting Statement". It was noted that this is progressing smoothly and without problems;
- .2 The status of Member States' contribution payments was examined. The Directing Committee presented the details of the payment of contributions, noting that the amount received up to the end of February was 47.44%, slightly less than the 51.17% received during the corresponding period in 2008;
- .3 The status of the Internal Retirement Fund (IRF), which is in secured bank investments, was examined. It was accepted that this fund does not face any apparent problems, based on the actuarial monitoring by the Bureau. The Personalized Pension Plans (PPP) appear to be progressing smoothly. The Directing Committee reported that, as a consequence of the global financial crisis, it had communicated with the PPP investment company NSM VIE and had been told by the company that there were no new risks associated with the PPPs. The Bureau is constantly monitoring the situation;
- .4 The Directing Committee presented the Draft of Part 2 of the Annual Report for 2008 covering IHO finances. The report shows an end of year surplus of 522,345 Euros. The origin of the surplus together with proposals for its re-allocation were discussed and subsequently endorsed during the meeting. The IHO Annual Report Part 2 - Finance, accompanied by the Auditor's report and specific proposals for the re-allocation of the 2008 budget surplus, will be presented to Member States in accordance with Article 19 of the Financial Regulations via a separate Circular Letter.

2. During the meeting, a preliminary discussion took place concerning the status of the "Supplementary Retirement Benefits (SRB)" provided to Categories A, B and C Staff, through a supplementary pension scheme. The Directing Committee has been unable to find any decisions by Member States approving the allocation of this supplementary retirement benefit, which has been provided to Categories B and C Staff since 1976 and to Category A Staff from 1987. The meeting was informed that, under the current arrangements, the Directing Committee are not recognized for the SRB, and therefore receive significantly less retirement benefits, compared to Category A Staff with similar professional backgrounds and for the same years of service. The Government of Monaco retirement scheme has two components: one for the "permanent civil servants (unlimited duration of service)" for whom no supplementary benefits are provided and another one for the "contractual civil servants (contracts with limited duration of service)" for whom the pension is increased by 50% as a supplementary benefit. The AMRR (*Association Monégasque des Retraites par Répartition*), to which the Organization contributes for its Staff, is a Monegasque component of a French national scheme, which the Governments of Monaco and France have never used for its civil servants and is only applied to private companies. It was agreed that the issue of the status and financial impact of the SRB should be further examined by the FCOs meeting so that a report can be prepared for the members of the Finance Committee.

3. It was agreed that the next meeting of the Finance Committee Officers will take place on 16th November 2009 at the IHB.